



CPA & CONSULTING  
SERVICES, LLC

BRENDEL W. DEEMER, CPA  
brendeldeemer@aol.com

9663

Lower Algiers Community Development Association, Inc.

Accountant's Review and Attestation Reports,  
With Financial Statements and  
Notes To the Financial Statements

For The Year Ended June 30, 2008

Deemer CPA and Consulting Services, LLC

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/18/09

**Lower Algiers Community Development Association, Inc.**  
**Table of Contents**

---

	<b>Page</b>
Accountant's Review Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-6
Schedule of Functional Expenses	7
Attestation Questionnaire	8-9
Attestation Report	10-13
Current Year Finding and Management Response	14



CPA & CONSULTING  
SERVICES, LLC

BRENDEL W. DEEMER, CPA  
brendeldeemer@aol.com


### Accountant's Review Report

To the Board of Director's of  
Lower Algiers Community Development Association, Inc.

I have reviewed the accompanying statement of financial position of Lower Algiers Community Development Association, Inc. (a non-profit corporation) as of June 30, 2008, and the related statement of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Lower Algiers Community Development Association, Inc.

A review consists principally of inquiries of Lower Algiers Community Development Association, Inc.'s personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

  
Deemer CPA and Consulting Services, LLC  
New Orleans, Louisiana  
February 3, 2009

**Lower Algiers Community Development Association, Inc.**  
**Statement of Financial Position**  
**As of June 30, 2008**

**Assets**

Cash	\$ 28,111
Total Current Assets	28,111
Furniture, Fixtures, and Equipment (Net)	26,129
<b>Total Assets</b>	<b>\$ 54,240</b>

**Liabilities and Net Assets**

Accrued Salaries and Payroll taxes	\$ 15,691
<b>Total Liabilities</b>	<b>\$ 15,691</b>

**Net Assets**

Unrestricted	38,549
<b>Total Net Assets</b>	<b>\$ 38,549</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 54,240</b>

See accompanying accountant's report.

**Lower Algiers Community Development Association, Inc.**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2008**

	<u>Unrestricted</u>
<b>Revenues</b>	
Grant revenue	\$ 224,513
<b>Total revenues</b>	224,513
<b>Expenses</b>	
<b>Program Services</b>	
NOCOA expenses	77,298
OCS expenses	<u>149,809</u>
<b>Total Program Services</b>	\$ 227,107
<b>Support Services</b>	
General & Administrative	<u>2,005</u>
<b>Total Support Services</b>	\$ 2,005
<b>Total Expenses</b>	<u>229,112</u>
<b>Change in Net Assets</b>	\$ (4,599)
<b>Net Assets At Beginning Of Year</b>	<u>43,148</u>
<b>Net Assets At End Of Year</b>	<u>\$ 38,549</u>

See accompanying accountant's report.

**Lower Algiers Community Development Association, Inc.**  
**Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2008**

**Cash Flows From Operating Activities:**

Changes in Net Assets	\$ (4,599)
Adjustments to Reconcile Net Revenues over Expenditures to Net Cash Provided by Operating Activities	
Depreciation Expense	2,005
Changes in Operating Assets and Liabilities	
Accrued Salaries and Benefits	<u>8,047</u>
Net Cash Provided by Operating Activities	5,453

**Cash Flows From Investing Activities:**

Purchase/Sale of equipment, furniture etc.	<u>(1,039)</u>
Net Cash Used by Investing Activities	(1,039)

**Cash Flows From Financing Activities:**

Net Cash Used by Financing Activities	0
Net Cash Increase for Period	4,414
Cash, At Beginning of Period July 1, 2007	<u>23,697</u>
Cash, At End of Period June 30, 2008	<u><u>\$ 28,111</u></u>

See accompanying accountant's report.

**Lower Algiers Community Development Association, Inc.**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Principles**

**General** – Lower Algiers Community Development Association, Inc. is a nonprofit corporation located at 6400 General Meyer Avenue, in Algiers, Louisiana. The organization provides many social services including counseling, meals, social and recreational activities and computer training to senior citizen and youth clients.

Lower Algiers Community Development Association, Inc.'s main source of funding is grants from the New Orleans Council on Aging and Office of Community Services (State of Louisiana).

**Basis of Accounting** – Lower Algiers Community Development Association, Inc.'s financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

**Income Taxes** – Lower Algiers Community Development Association, Inc. has been determined to be tax exempt under Section 501 (c) 3 of the Internal Revenue Code.

**Cash** - Cash is comprised of cash on hand and in banks.

**Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. Restrictions on Net Assets**

Restrictions placed on net assets are related to the funds received by Lower Algiers Community Development Association, Inc. from federal grant awards. These restrictions are released as grant rules and regulations are met by the organization. At June 30, 2008 Lower Algiers Community Development Association, Inc. did not have any restricted net assets.

### **3. Economic Dependency**

Lower Algiers Community Development Association, Inc. receives the majority of its revenue from grants. The agency's ability to acquire grant funds each year significantly impacts their revenues and operations.

### **4. Board of Directors' Compensation:**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Development Association in accordance with the Association's applicable reimbursement policy.



**Lower Algiers Community Development Association, Inc.**  
**Schedule of Functional Expenses**  
**For the Fiscal Year Ended June 30, 2008**

	<b>New Orleans Council On Aging</b>	<b>Office Of Community Services</b>	<b>General &amp; Admin.</b>	<b>Total</b>
Salaries	\$ 40,535	\$ 36,761	\$ -	\$ 77,296
Payroll Tax Expense	3,116	2,815	-	5,931
Equipment	-	-	-	-
Occupancy	6,200	16,800	-	23,000
Professional Fees	21,950	40,134	-	62,084
Insurance	2,106	7,144	-	9,250
Telephone	780	2,088	-	2,868
Utilities	736	2,378	-	3,114
Automobile Expense	743	-	-	743
Supplies	490	12,244	-	12,734
Program Expense	-	15,524	-	15,524
Office Expense	342	863	-	1,205
Repairs & Maintenance	300	13,058	-	13,358
Depreciation	-	-	2,005	2,005
<b>Total Expenses</b>	<b>\$ 77,298</b>	<b>\$ 149,809</b>	<b>\$ 2,005</b>	<b>\$ 229,112</b>

See Accountant's Review Report.

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Entities)**

January 26, 2009

Deemer CPA and Consulting Services, LLC

P.O. Box 870847

New Orleans, Louisiana 70187

(Auditors)

In connection with your review of our financial statements as of June 30, 2008 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of January 26, 2009.

**Federal, State, and Local Awards**

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes ☒ No ☐

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

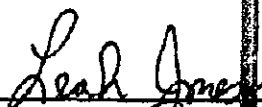
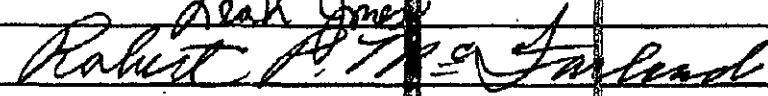
**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
Treasurer  
President

**ATTESTATION REPORT**  
**(Quasi-Public Entity)**  
**Independent Accountant's Report**  
**on Applying Agreed-Upon Procedures**

To the Management of Lower Algiers Community Development Association, Inc.

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Lower Algiers Community Development Association, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Lower Algiers Community Development Association's compliance with certain laws and regulations during the period ended June 30, 2008 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

***Federal, State, and Local Awards***

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Grant Source	Grant Period	Grant Expenditures 7/1/06 – 6/30/07
Office of Community Svcs.	7/1/06- 6/30/07	\$ 150,000
New Orleans Council on Aging, Inc.	7/1/06- 6/30/07	\$ 74,513
Total		\$ 224,513

2. For each Federal, state, and local award, I randomly selected 6 disbursements from each award administered during the period under examination.

There were two separate funding sources, from which 6 disbursements were randomly selected during the period of July 1, 2007 through June 30, 2008.

3. For the items selected in procedure 2, I traced the twelve disbursements to supporting documentation as to proper amount and payee.

I requested invoices, receipts, and/or contracts from the agency to complete this procedure. Two invoices and one check copy could not be located.

4. For the items selected in procedure 2, I determined that the twelve disbursements were properly coded to the correct fund and general ledger account.

Ten disbursements examined appeared to be coded to the correct fund and general ledger accounts. Check copies related to eleven items from the agency's bank accounts were agreed to postings in the general ledger without exception. However, two invoices were not available for this procedure and one check was missing.

5. For the items selected in procedure 2, I attempted to determine whether the twelve disbursements received approval from proper authorities.

Eleven disbursements tested appeared to have approval from the proper authorities through review of check signatures, however, one check copy was not available.

6. For the items selected in procedure 2: For federal, state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

#### Activities allowed or unallowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. The allowability requirements appeared to be met for ten disbursements, because expenditures were included in the approved budget and appeared to coincide with the goals of the program. However, two invoices were not available for this procedure to be completed.

#### Eligibility

I reviewed the previously listed disbursements for eligibility requirements. According to cancelled checks and explanations of expenditures by the Executive Director, disbursements appeared to be in accordance with the approved budget for eleven disbursements reviewed. One check copy was not available.

#### Reporting

I reviewed the previously listed disbursements for reporting requirements. Ten disbursements appeared to be reported properly according to cancelled checks, invoices, and other supporting documentation. However, the agency did not meet its reporting requirement under the State of Louisiana's audit law. The agency's reporting deadline of December 31, 2008 was not met, however an extension was provided to February 6, 2009, which was met.

7. For the programs selected for testing in item (2), I planned to compare the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

There were no close-out reports due during this review/attestation.

#### *Meetings*

8. I examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Management has asserted that "open meetings" documents were properly posted on the door of board meetings, and complete agendas were made available, as required. I was provided a copy of the documents that were posted which appeared to have met the open meetings LSA-RS 42:1 through 42-12 requirements.

### ***Comprehensive Budget***

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Lower Algiers Community Development Association, Inc.'s accountants provided comprehensive budgets to the applicable local, state, and federal grantors for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the project, and plans showing specific goals and objectives that included measures of performance.

### ***Prior Comments and Recommendations***

10. I reviewed the prior year compilation report for any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Lower Algiers Community Development Association, Inc. did not meet its reporting deadline, however, they did meet the extension deadline of February 6, 2009.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the management of Lower Algiers Community Development Association, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Deemer CPA and Consulting Services, LLC*

February 3, 2009

**08-01 Documentation Not on File**  
**Questioned Costs: \$ 1,603.00**

**Criteria:**

The State of Louisiana audit law requires that the agency maintain documentation to support its financial transactions.

**Condition:**

The agency could not locate two invoices sampled and one check copy.

**Cause:**

It appears that the items were either filed incorrectly or mistakenly thrown away.

**Effect:**

Certain sampled items were not available for review and it was indeterminable as to whether or not the expenses were allowable.

**Recommendation:**

It is recommended that the agency request duplicate copies of the items and maintain them on file.

**Management's Response:**

The Lower Algier's Community Development Association, Inc. has requested the missing invoices and check copy and will make them available for review.